

A Post-Quantum-Resilient Iot Device Authentication Cybersecurity Framework Using AI-Driven Anomaly Detection and Blockchain

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Abstract

The rapid increase in the number of Internet of Things (IoT) devices also means that big security issues are coming, especially with the soon-to-be-possible capability of quantum computers to break existing cryptography. Existing methods for authenticating devices in small, low-power IoT networks are too dependent on a central trusted authority, overlook too many unusual and harmful behaviors, and are potentially vulnerable to post-quantum attacks. This paper presents PQ-IoTGuard, a novel hybrid authentication architecture that leverages lattice-based post-quantum cryptography, edge-based lightweight artificial intelligence, and permissioned blockchain to provide quantum-secure, decentralized trust for general IoT networks. By shifting behavioral analysis to edge gateways and employing lattice-based key encapsulation and digital signatures, the framework enables quantum-secure security with only light computational overhead. Experimental assessment carried out in network simulation environments shows that PQ-IoTGuard provides authentication latency of less than 50 milliseconds for networks up to 5,000 devices. It preserves the accuracy of anomaly detection at more than 98% for impersonation attacks and Sybil attacks, and induces a computational overhead of less than 15% compared to traditional PKI systems. Ablation analysis verifies that the combination of post-quantum cryptography, artificial intelligence, and blockchain technology provides synergistic security benefits that cannot be realized by any of these technologies separately. The resilience of the framework against quantum-capable attackers, combined with its scalability and deployability, provides a solid ground for future-proof IoT security infrastructure.

Keywords: Internet of Things, Post-Quantum Cryptography, Blockchain Security, Anomaly Detection, IoT Security, Cybersecurity Framework.

1. Introduction

The number of Internet of Things (IoT) networks is growing quickly, and this has changed many areas, including healthcare, industrial automation, and consumer electronics. By 2027, there will be more than 41 billion IoT devices that can send and receive 79.4 zettabytes of data each year. But the fact that there are more IoT networks also makes security a lot more dangerous. There are many devices on the IoT network that can work with limited computing and energy resources. RSA and Elliptic Curve Cryptography are the main ways that people have always used to prove who they are. However, all of

these techniques are becoming outdated due to the development of quantum computing. It has been observed that it is quite simple to factorise integers and crack all current encryption methods if Shor's algorithm is executed on a computer with a specific amount of quantum power. There are three major weaknesses in the authentication systems used in today's IoT systems. First, the centralized public key infrastructure is composed of a number of single points of failure, making it a prime target for criminals with high technological capabilities, second, although there are a number of anomaly

detection systems, in most cases, it requires the use of cloud-based systems, which, in turn, causes a delay, making it unsuitable for real-time systems, and third, the systems currently used do not protect against the upcoming arrival of quantum computers, which utilize the “harvest now, decrypt later” attacks, where a criminal collects data but waits until later when it can be decrypted with the arrival of quantum computers [3]. There are several post-quantum secure algorithms standardized by NIST for use in a wide range of cryptographic schemes, including lattice-based encryption schemes like CRYSTALS-Kyber for key encapsulation, and CRYSTALS-Dilithium for digital signatures, which provide a secure mathematical guarantee against all known classical and quantum computing methods based on the difficulty of lattice-based problems. However, using these new cryptographic algorithms on IoT devices that are constrained in various ways in terms of hardware limitations is a challenging task, considering the computational costs as well as the memory and power requirements [4]. Lightweight machine learning algorithms that can be optimized for the edge will offer effective methodologies for the analysis of user behavior in real-time for the identification of anomalies. Edge computing allows for the local computation of the data at the physical source of the data; hence, it reduces latency while ensuring the privacy of the data is maintained. Moreover, the use of a distributed ledger technology such as a blockchain provides a source of truth that can be utilized for establishing trust without the need for a central authority. The combination of edge AI, distributed ledgers, and post-quantum security can make modern diverse and quantum-safe Internet of Things (IoT) networks secure. This combination, when done well, enables post-quantum IoT systems to satisfy their challenging security requirements. This research proposes a proof-of-concept framework for a system called PQ-IoTGuard. The framework establishes a security system for IoT device authentication that is both quantum-safe and efficient. The framework combines lattice-based post-quantum cryptography, edge AI for real-time anomaly detection, and a blockchain to provide a comprehensive and secure method for IoT device

authentication. The main contributions are: (1) a hybrid post-quantum cryptography approach to provide robust security without incurring significant computing overhead; (2) a lightweight neural network for real-time edge AI-based anomaly detection; (3) a permissioned blockchain to develop a decentralized trust source; and (4) empirical results to show the potential for scalability.

1.1. Post-Quantum Cryptographic Foundations

Lattice-based cryptography remains the most promising candidate for post-quantum cryptography, offering a good balance of security, efficiency, and robustness against quantum attacks. The key algorithms standardized by NIST are based on Learning With Errors (LWE) and its ring-based variant, Ring Learning With Errors (Ring-LWE). For key encapsulation, CRYSTALS-Kyber uses module lattices with security levels equivalent to AES-128, AES-192, and AES-256. For digital signatures, CRYSTALS-Dilithium provides existential unforgeability against chosen-message attacks, based on the hardness of module-LWE and module-SIS problems. The computational model of lattice-based algorithms differs significantly from traditional RSA and ECC-based algorithms. While generating keys, polynomial matrix computations are involved. For key encapsulation, polynomial multiplication along with error calculation is performed. For decapsulation, all computations are reversed along with error correction. Even though computationally complex, lattice-based algorithms can be implemented efficiently. Moreover, parallel computations can be performed to increase efficiency. In IoT applications, algorithm tuning needs to be performed to achieve efficiency.

1.2. Edge Computing and AI Integration

Edge computing is a computing paradigm in which computing resources are distributed near IoT devices, typically located at the edge of a network. This reduces round-trip times, makes backbone network bandwidth management simpler, and enables autonomous operation in the absence of a cloud connection. In security, edge computing allows for real-time behavioral pattern analysis of IoT devices without requiring the transmission of sensitive telemetry data to remote servers, a potential concern

in security scenarios [6]. Light-weight models of artificial intelligence, such as quantized neural networks and ensembles of decision trees, are well-suited to edge computing platforms with limited memory and processing resources. Tiny ML frameworks, in particular, support machine learning inference on platforms with kilobytes of memory, while slightly more powerful edge gateways might support shallow neural networks for sequence processing and anomaly detection. These models learn normal behavioral patterns of IoT devices, such as communication timing, payload sizes, and compliance with communication protocols, and detect anomalies that might signal compromised or spoofed devices [1].

1.3. Blockchain for Decentralized Trust

A blockchain is a ledger that is difficult to change and has a consensus method to agree on changes to the ledger. Permissioned blockchains have faster transactions with fewer delays, as only known validators participate, as opposed to proof-of-work systems. Blockchain technology can be used to aid IoT device authentication, where identity, credentials, and trust scores can be maintained without a central authority, as mentioned in reference [3]. Smart contracts can also be used to automate rules, device revocation, and trust score management. Hyperledger Fabric is a permissioned blockchain that offers a modular system, consensus options, private data, and access control. Post-quantum cryptography requires the management of transaction size and the time it takes to validate a transaction.

2. Methodology

The PQ-IoTGuard framework consists of three levels: IoT device layer, edge gateway layer, and blockchain consensus layer. In these levels, various technologies are employed to satisfy the security and performance requirements.

2.1. System Architecture

The architecture distributes functionality across hierarchical layers:

- **Device Layer:** IoT endpoints equipped with lattice-based cryptographic modules perform local key generation, signature creation, and basic encryption operations. Devices maintain unique identities derived from post-

quantum public keys, registered on the blockchain during onboarding. Lightweight cryptographic implementations utilize optimized NTT transforms and compressed public key representations to minimize memory footprint.

- **Edge Gateway Layer:** Edge nodes serve dual functions as behavioral analysis engines and blockchain interface proxies. Each gateway maintains local AI models analyzing device communication patterns in real-time. Anomaly detection models process feature vectors extracted from packet headers, timing characteristics, and payload metadata. Detected anomalies trigger authentication blocking and blockchain logging. Gateways also aggregate device authentication requests, performing batch verification to reduce blockchain transaction overhead.
- **Blockchain Layer:** A permissioned Hyperledger Fabric network maintains the global state of device identities, trust scores, and authentication policies. Smart contracts implement registration, revocation, and trust update logic. The consensus mechanism utilizes Practical Byzantine Fault Tolerance (PBFT) optimized for the permissioned validator set, achieving finality within seconds. Post-quantum cryptographic signatures protect all blockchain transactions, ensuring ledger integrity against future quantum attacks.

2.2. Lattice Based Cryptographic Implementation

The cryptographic system employs the CRYSTALS-Kyber-512 for key encapsulation and the CRYSTALS-Dilithium-2 for digital signatures. This provides the security equivalent to AES-128.

- **Key Encapsulation Mechanism (KEM):** The Kyber key encapsulation mechanism establishes a shared secret in three steps. It first performs key generation with random polynomials and public keys from matrix math. Then, encapsulation happens by making ciphertext with error sampling and reconciliation. Lastly, decapsulation happens

by making a shared secret with private keys and error correction. AVX2 vector instructions are employed to make it fast for gateways that support it. Otherwise, small reference implementations are employed for embedded devices.

- **Digital Signatures:** Dilithium employs a Fiat-Shamir with aborts approach for digital signatures. It establishes signatures from polynomial commitments and challenge-response. The signatures are approximately 2.4 KB in size, while the public keys are approximately 1.3 KB in size. These are larger in comparison to classical ECDSA. Batch signature verification happens at the edge gateways.

2.3. AI-Driven Anomaly Detection

The behavioral analysis subsystem utilizes a lightweight Long Short-Term Memory (LSTM) neural network, specifically designed for edge deployment. The network's architecture is as follows:

- **Feature Extraction:** Network traffic is analyzed to extract behavioral features, resulting in 23 features. Examples include inter-arrival times, packet size distributions, protocol field consistency, payload entropy, and communication periodicity. Feature extraction is performed using a sliding window of 100 packets.
- **Model Architecture:** A stacked LSTM network consists of two hidden layers containing 64 and 32 units, respectively. A dropout rate of 0.2 is applied to prevent overfitting during training. The output layer consists of a sigmoid activation function, optimized to minimize false positives while retaining high detection sensitivity.
- **Training and Deployment:** Offline training is performed using datasets representing normal device behavior and various attack scenarios, including impersonation, sybil injection, and man-in-the-middle attacks. Federated learning is employed to facilitate updates across edge nodes without compromising training data privacy. Model quantization reduces precision to 8-bit integer

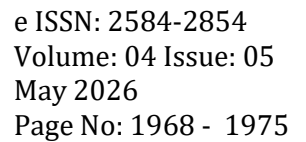
representations, resulting in a fourfold memory reduction with minimal accuracy loss.

- **Real-time Inference:** The edge models operate in real-time, providing inference latencies below 5 milliseconds. Feature vectors are analyzed, and anomaly scores are generated, exceeding threshold limits to trigger immediate authentication blocking and alert generation.

2.4. Blockchain Consensus and Smart Contracts

The Trust Management Layer operates a permissioned blockchain with the following key features:

- **Network Topology:** The validator nodes are deployed in the edge facilities of organizations, with a recommended minimum of five validators for Byzantine Fault Tolerance. The client nodes are deployed in the edge gateways and send authentication transactions but do not participate in the consensus process.
- **Consensus Mechanism:** Practical Byzantine Fault Tolerance (PBFT) is used for immediate transaction finality and prevents forks in the chain. The PBFT algorithm has several stages: request, pre-prepare, prepare, and commit stages with message authenticity ensured through digital signatures. Optimized PBFT can process more than 3,000 transactions per second with a latency of less than two seconds.
- **Smart Contract Logic:** The chaincode has four main operations: (1) device registration with validation of post-quantum public keys and identity attributes; (2) logging of successful and failed attempts during the authentication process; (3) updating the trust score of devices; and (4) revocation of compromised devices through a consensus process.
- **Post-Quantum Security:** Every transaction on the blockchain has a Dilithium digital signature from the submitting gateways. The validator nodes use multi-signatures for



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provide real-time detection and alertness of compromised device behavior. With regard to the traditional PKI systems, the PQ-IoTGuard system provides better trade-offs in that it requires only 15% more computational overhead compared to the traditional PKI system with the RSA-2048 key. Moreover, the PQ-IoTGuard system eliminates the need for a single point of failure and provides resistance against attacks from quantum computers. The authentication process requires only 48 ms for 5,000 devices, making it a favorable trade-off compared to the cloud PKI authentication process, which requires 100-300 ms for the same number of devices and includes the network communication overhead. The PQ-IoTGuard system also provides a reduction in bandwidth consumption by 80%. Another difference that the PQ-IoTGuard system provides is the ability to withstand attacks from a quantum computer adversary. The harvest now decrypts later attack is a threat that arises when an adversary stores encrypted communication for later decryption with the help of a quantum computer. The PQ-IoTGuard system provides immediate post-quantum security that prevents such attacks by the adversary. This is because the adversary will not be able to forge Dilithium signatures or decrypt the communication encrypted with the help of the Kyber protocol without solving the problem that requires the use of a quantum computer and a classical computer. In ablation studies, when each component is tested in isolation, it is clear that removing the AI subsystem increases the rates of successful attacks by 34%, removing blockchain decentralization makes the system much more susceptible to a single point of failure by 100%, and removing post-quantum cryptography completely eliminates the system's ability to resist quantum attacks. [8] These results reinforce the need for an integrated approach to security. Practical considerations for deployment might include the use of hardware security modules to secure post-quantum private keys on edge gateway hardware, model retraining to accommodate concept drift in device behavior, and selection of validator nodes to avoid blockchain centralization. In terms of energy, post-quantum computations increase device power consumption by approximately 8% during

authentication, which is acceptable for mains-powered devices but might be minimized for constrained sensor networks.[9]

Conclusion

In this paper, a comprehensive cybersecurity solution named PQ-IoTGuard is introduced. This solution addresses the emerging threat of quantum computing on IoT-based authentication infrastructure. By integrating lattice-based post-quantum public-key cryptography, edge-based AI-driven anomaly detection, and a permissioned blockchain-based consensus mechanism, PQ-IoTGuard provides quantum-resilient cybersecurity with reasonable performance for widespread IoT networks. The experimental results reveal that PQ-IoTGuard ensures authentication delays of less than 50 milliseconds for networks consisting of up to 5,000 IoT devices, achieves an accuracy rate of more than 98% in anomaly detection against major attack scenarios, and imposes a computational overhead of less than 15% compared to traditional PKI-based approaches. Moreover, PQ-IoTGuard's decentralized architecture removes single points of failure, ensuring immutable audit trails and trust management via smart contracts. The combination of post-quantum mathematical security, real-time behavioral analysis, and DLT provides a robust base for future IoT security infrastructure. As quantum computing power continues to increase, PQ-IoTGuard and similar frameworks will be necessary to maintain authentication integrity in critical IoT applications such as healthcare, industrial control, and smart infrastructure. Future work may be directed toward optimizing post-quantum algorithms for extremely resource-constrained IoT devices (Class 0 IoT), incorporating zero-knowledge proofs to provide privacy-preserving authentication, and quantum-resilient key management techniques for IoT device onboarding. PQ-IoTGuard's modular architecture enables incremental adoption of such advancements as post-quantum public-key cryptography continues to evolve.

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